



Massachusetts Emergency Food Assistance Program (MEFAP)

**Fiscal Year 2015
Core Food Summary Report
July 1, 2014 - June 30, 2015**

Developed by:



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Massachusetts Emergency Food Assistance Program (MEFAP) Highlights of Fiscal Year 2015

- Approximately 11.5% of the State's population received emergency food assistance in FY15.¹
- 886 emergency food programs across the state were supported with product purchased with MEFAP funds.
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|--------------------------------|--------------|
| Total MEFAP funding | \$15,000,000 |
| Core Food Purchase Fund | \$12,880,000 |
| Massachusetts Grown Initiative | \$840,000 |
| DAR program Administrative fee | \$280,000 |
| Operation Funding | \$1,000,000 |
- Vendors: *Reinhart Foodservice* – Retail dairy & grocery bids, utility (food-service) dairy and grocery bids – 49.2% of Core Food funds
Feeding America – (tuna, mac & cheese, black beans, vegetarian baked beans, kidney beans, green beans, corn flakes, rice crisp cereal, raisin bran cereal, quick oats, rice, brown rice, shelf stable milk) – 31.1% of Core Food funds
Feeding America Partner Whitlock Packaging / Juice Bowl – Shelf-stable orange juice boxes and shelf-stable apple juice – 4.5% of Core Food funds
Broccoli Associates – Retail and utility meat & Thanksgiving turkey bids – 14.1% of Core Food funds
Garelick Farms (Dean Foods) – Fresh milk bid – 1.0% of Core Food funds
- 61 different items or types of product purchased through Core Food funds
- Core Food items produced in Massachusetts:
 - Teddie / Leavitt Corp. – Peanut Butter – 6.6% of Core Food
 - Garelick Farms – Fresh 1% Milk – 1.0% of Core Food
- A total of 73,794,899 pounds of food were distributed through the four regional food banks.
- Of that, 20,036,855 pounds (27.2%) were MEFAP products – a 3.8% increase in MEFAP pounds distributed over FY14.
- A total of 16,697,379 meals were provided through MEFAP.

¹ Number of SNAP Recipients: MA Dept. of Transitional Assistance: Facts and Figures, June 2015; MA Total Population: US Census Quick Facts: 2014 estimate.

Massachusetts Emergency Food Assistance Program (MEFAP)
Fiscal Year 2015 Core Food Summary Report
July 1, 2014 – June 30, 2015

The Massachusetts Emergency Food Assistance Program (MEFAP) provides food products for citizens of the Commonwealth in need. Through the program, a consistent supply of quality, nutrient-rich foods and locally grown fresh produce has been provided through the statewide food bank network to 886 emergency food providers. MEFAP consists of two food purchasing contracts – Core Food, representing 92% of funding for food purchases and The Massachusetts Grown Initiative, representing 6% of food purchase funding. Both contracts are administered by The Greater Boston Food Bank on behalf of the Food Bank Coalition of Massachusetts. This report summarizes the Fiscal Year 2015 (FY15) MEFAP Core Food program.

Summary

The 2015 update to the Feeding America Map the Meal Gap shows that 11.5% of Massachusetts residents are food insecure, meaning that their access to adequate food is limited by a lack of money and other resources.² Of those in need in the Commonwealth, 36 percent do not qualify for government benefits because their income is too high; they cannot meet basic needs and therefore require emergency assistance. An additional 136 million meals are needed across the state to ensure that all residents are able to eat three meals a day.³ MEFAP plays a vital role in bridging the Meal Gap and providing those in need with a continual supply of quality, nutritious food staples, as well as fresh produce through the Massachusetts Grown Initiative. The food provided through this program is integral to the mission of the Commonwealth's emergency food providers to address food insecurity in their communities.

During FY15, The Food Bank Coalition of Massachusetts collectively distributed over 73.7 million pounds of food, 27.2% (20 million pounds) of which was purchased through the MEFAP program. The Food Bank Coalition increased distribution of MEFAP purchased food by 3.8% in FY2015. An overall increase in food prices over the course of the Core Food year of 2.8%, an increase of over 20% in the price of ground turkey – one of the highest volume items in MEFAP – and the planned increase of the annual holiday turkey bid limited the increased distribution possible with the additional \$1 Million. These price increases and the current volatility in several key commodity markets due to environmental factors – namely shell eggs, ground turkey, and canned fruit – highlight the importance of MEFAP funding keeping pace with food price increases to The Food Bank Coalition's ability to fill the Meal Gap in the Commonwealth.

Program Funding

Funding for MEFAP increased by \$1,000,000 in FY15. Total funding for the fiscal year ending June 30, 2015 was \$15,000,000. (A breakdown of the funding is contained in Table 1, and a summary history of MEFAP funding and meals distributed is contained in Table 5 on page 8.) In FY15, the Department of Agricultural Resources continued to manage both the food purchases funds, including funding for the Massachusetts Grown Initiative, and the operation funds.

In FY15, the Food Bank Coalition of Massachusetts continued national product sourcing to stretch funding dollars. Beneficial pricing for items purchased through Feeding America and its

² Gundersen, C., E. Engelhard, A. Satoh, & E. Waxman. Map the Meal Gap 2015: Food Insecurity and Child Food Insecurity Estimates at the County Level. Feeding America, 2015.

³ Ibid.

partners as well as for items purchased from Reinhart Foodservice in full trailer quantities, direct from manufacturers, helped mitigate the impact of price increases throughout the year. The continued partnerships with two MEFAP vendors providing lower cost options on juice and meat items in FY15 – Broccoli Associates and Feeding America partner Whitlock Packaging / Juice Bowl - also helped limit the impact of price increases during the year.

Table 1: FY15 MEFAP Funding

Core Food Funding	\$12,880,000
Massachusetts Grown Initiative (FY15)	\$840,000
Operation Funding	\$1,000,000
DAR Administrative Fee (retained)	\$280,000
Total Funding	\$15,000,000

The Food Bank Coalition of Massachusetts

The Food Bank Coalition of Massachusetts includes The Food Bank of Western Massachusetts (FBWM) located in Hatfield, The Greater Boston Food Bank (GBFB) located in Boston, Merrimack Valley Food Bank (MVFB) located in Lowell, and Worcester County Food Bank (WCFB) located in Shrewsbury. Each is a private, nonprofit 501(c) 3 corporation that distributes surplus, reclaimed, and other donated foods, purchased food, and foods provided by USDA through The Emergency Food Assistance Program (TEFAP). Of the 1,111 member hunger-relief programs served by The Food Bank Coalition of Massachusetts, 886 emergency providers received MEFAP products. These programs include pantries, soup kitchens, transitional houses, and shelters. U.S. Census Bureau service area population and poverty statistics as well as clients served are used to determine the allocation of MEFAP funds to the four food banks. The distribution formula for FY15 MEFAP funds is detailed in Table 2.

Table 2: Allocation of FY15 MEFAP Funds within the Food Bank Coalition of MA

<u>Food Bank</u>	<u>Location</u>	<u>Percent*</u>
Food Bank of Western Massachusetts	Hatfield	13.99% (-0.21%)
The Greater Boston Food Bank	Boston	65.13% (+0.90%)
Merrimack Valley Food Bank	Lowell	8.44% (-0.63%)
Worcester County Food Bank	Shrewsbury	12.44% (-0.06%)

*Percentages based on US Census and Feeding America statistics. Numbers in parentheses indicate change over FY2014.

The statewide emergency food distribution network reaches every location in the Commonwealth. All agencies must serve individuals and families most in need of emergency food resources. By reducing food costs for member feeding agencies and providing high-quality nutritious food, MEFAP plays a vital role in reducing hunger in the Commonwealth. As shown in table 3 below, MEFAP-distributed food represented 27.2% of the overall total pounds distributed by the four Massachusetts food banks in FY15. While this MEFAP percentage of the total Food Bank Coalition annual distribution represents an 8.8% decrease over FY14, this is largely due to increases in FY15 from other product sources, most notably TEFAP and donated produce. While other sources of food for food banks – donations from food retailers, manufacturers and processors as well as federal commodities received through the USDA via TEFAP – are susceptible to potentially significant change from year to year, MEFAP acts as a buffer to this volatility. In years when other sources decline, as happened in FY14 with federal commodities, The Food Bank Coalition of Massachusetts and the agencies and clients they serve can depend on MEFAP as a continued source of high quality, nutritious food staples.

Table 3: FY15 Massachusetts Regional Food Banks Distribution Statistics*

<u>Food Bank</u>	<u>Emergency Agencies Served</u>	<u>Distributed Pounds & Meals</u>				
		<u>Total From All Sources</u>	<u>MEFAP Core Food</u>	<u>MEFAP Mass Grown</u>	<u>MEFAP Total Pounds</u>	<u>MEFAP Total Meals**</u>
Food Bank of Western Massachusetts	203 (+11.54%)	9,856,923 (+15.6%)	2,272,264 (+8.8%)	328,942 (+20.6%)	2,601,206 (+10.1%)	2,167,672 (+10.1%)
The Greater Boston Food Bank	516 (+.39%)	54,990,343 (+14.3%)	12,943,764 (+4.1%)	1,009,827 (+5.6%)	13,953,591 (+4.2%)	11,627,993 (+4.2%)
Merrimack Valley Food Bank	78 (+39.29%)	3,137,865 (+12.0%)	1,101,631 (-5.7%)	145,290 (-13.8%)	1,246,921 (-6.8%)	1,039,101 (-6.8%)
Worcester County Food Bank	89 (-4.3%)	5,809,768 (+7.1%)	2,005,340 (-2.6%)	229,797 (+46.5%)	2,235,137 (+.8%)	1,862,614 (+.8%)
Totals	886 (+4.85%)	73,794,899 (+13.7%)	18,322,999 (+3.2%)	1,713,856 (+10.3%)	20,036,855 (+3.8%)	16,697,380 (+3.8%)

*Table includes overall and MEFAP pounds distributed from July 1, 2014 to June 30, 2015. Numbers in parentheses indicate change over FY2014.

** 1.2 pounds of food provides 1 meal.

MEFAP Food Purchases

MEFAP consists of two food purchasing programs: Core Food and the Massachusetts Grown Initiative.

MEFAP Core Food Purchasing

The Food Bank Coalition purchased over 18.3 million pounds of Core Food product using MEFAP funds from vendors selected through a competitive bid process in FY15; see Table 3 above for a breakdown by food bank. Seven separate categories were included in the FY15 Core Food Bid – retail fresh milk, retail dairy (non-milk), retail meat, retail dry grocery, utility (food-service) dairy, utility meat, and utility dry grocery.

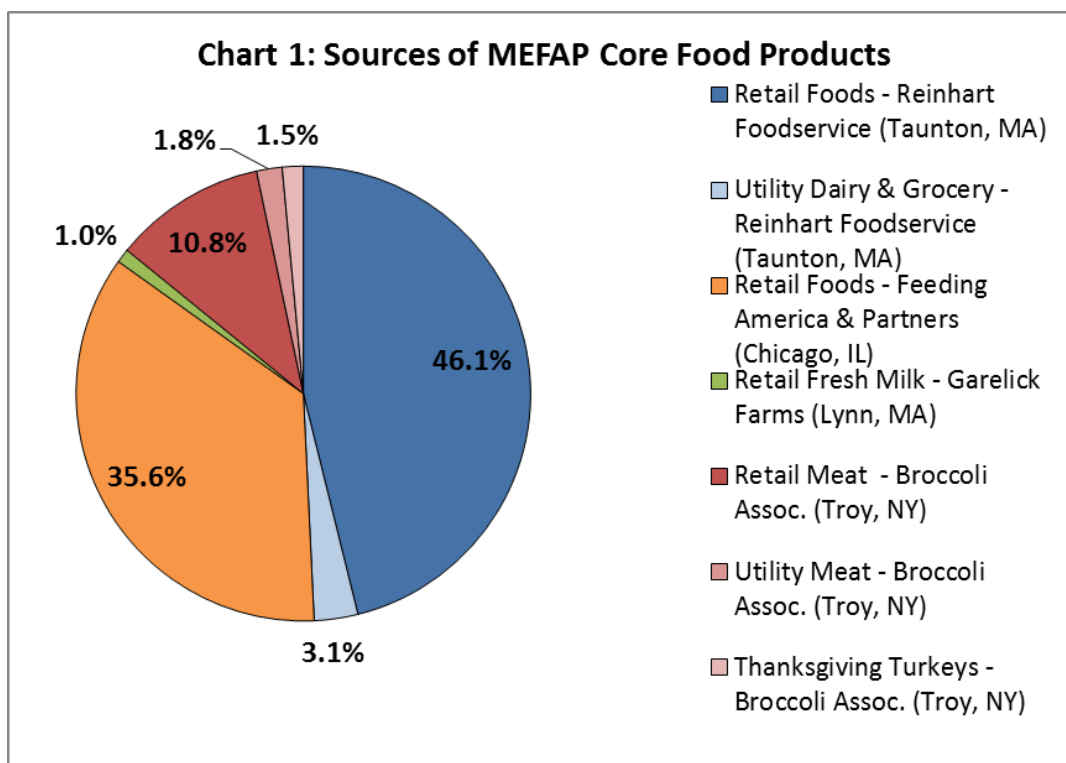
Each category bid was awarded based on a combination of factors – product pricing, price timeframes, product nutritional value, product pack-size, country of origin of labels bid, company service record and past performance – with pricing being the primary consideration. Overall, Reinhart Foodservice of Taunton, MA provided the best overall value for four of the seven category bids and was awarded the contract for retail and utility dairy and grocery products; Garelick Farms of Lynn, MA was awarded the contract for fresh milk; and Broccoli Associates of Troy, NY was awarded the contracts for retail and utility meat products as well as Thanksgiving turkeys; the Thanksgiving turkey bid is issued separately in the early spring in order to lock in beneficial pricing early in the season.

Reinhart continued to provide the option of discounted pricing for full trailer-load, direct from manufacturer delivery for select items. GBFB, MVFB and WCFB opted to receive a number of items through this delivery method, resulting in a savings of over \$230,000 against the standard delivery option.

The exceptions to the Core Food award to Reinhart were items that The Food Bank Coalition of Massachusetts were able to source at a better price through the Feeding America network. Feeding America, the nation's largest domestic hunger relief organization, partners with food

manufacturers across the country and abroad to provide direct from manufacturer, full trailer-load, discounted pricing to food banks. The volume of product sourced through Feeding America and its partners with MEFAP Core Food funds decreased slightly from 32.7% in FY14 to 31.1% in FY15. Despite this decrease in volume, savings against the closest bid price for items sourced through Feeding America and Feeding America partner Juice Bowl was over \$1.19 Million. In addition to these direct savings from purchases through the Feeding America network, the value provided by the Feeding America Grocery Program direct from manufacturer model has led to savings from other MEFAP vendors.

Refer to Chart 1 for a breakdown of MEFAP Core Food purchasing by vendor. All four food banks were very satisfied by the customer service supplied by Reinhart, Garelick Farms, Broccoli Assoc., Feeding America and their partners, and all other MEFAP vendors.



Massachusetts Grown Initiative

The Massachusetts Grown Initiative was introduced into MEFAP to give low-income individuals access to fresh produce, while simultaneously opening a new market for local farmers. The program has been a success since it began and it is currently in its seventeenth year. The Massachusetts Grown Initiative is an important way to re-invest state funds into Massachusetts' agricultural industry.

The Massachusetts Grown Initiative funding was \$780,000 for the last full reporting period – January 1, 2014 through December 31, 2014; funding for the current period running from January 1, 2015 to December 31, 2015 is \$840,000. The primary vendor used for these funds continues to be the Pioneer Valley Growers' Association (PVGA) located in South Deerfield, MA. PVGA, a cooperative of local growers, provided high-quality fresh produce such as cabbage, carrots, beets, broccoli, onions, apples, corn, eggplant, spinach, potatoes, peppers, squash, collard greens, tomatoes, and turnips throughout the year. In addition, several other Massachusetts farms were used during the course of the Massachusetts Grown fiscal year including: Farmer Dave's of Dracut, MA; Lanni Orchards of Lunenburg, MA; Brookfield Orchards

of North Brookfield, MA; The Country Hen of Hubbardston, MA; Ward's Berry Farm of Sharon, MA; Long Plain Farm of South Deerfield, MA; and Szawlowski Potato Farms in Hatfield, MA. For a more detailed summary of the program, refer to the "Massachusetts Grown Fiscal Year 2014 Summary Report," on file with the Massachusetts Department of Agricultural Resources.

Determining Core Food Purchasing

Table 4 below details all items purchased with Core Food funds in FY15. This list includes items purchased by all food banks as well as items purchased solely by individual food banks. The only changes to the item mix from FY14 were the removal of two items being ordered by only FBWM (pink beans and minestrone soup); switching the volume to an item ordered by all resulted in a net savings for FBWM and contributed to their increased pounds realized in FY15. Agencies receiving MEFAP product are regularly surveyed by each food bank for feedback on item mix and based on this feedback tomato puree was removed from the bid in 2015 and this volume was added to spaghetti sauce and diced tomatoes. Also, based on agency input, MVFB elected to add one item in 2015 – boneless, skinless chicken breasts.

- **Executive Order 509** – Executive Order 509 (EO 509), signed by Governor Patrick in April 2010, requires state agencies and sub-contractors to follow nutrition standards when purchasing food with state funds. EO 509 is a part of Mass in Motion, a statewide effort to reduce and prevent obesity. MEFAP Core Food bidders are required to supply product nutritionals for all items bid and in order for an item to be accepted it must meet the product specification included in the bid, which are in compliance with EO 509. All items procured during FY15 met or exceeded these nutritional standards.
- **Retail and Utility packed items** – Retail-size items purchased for food pantries and programs that provide bags of food for clients to take home increased slightly from 93.2% of all Core Food spending in FY14 to 95.1% in FY14. Utility-sized items decreased slightly to 4.9%.
- **Thanksgiving Turkeys** – In 2015, 13,200 turkeys, representing 1.5% of Core Food funding, were purchased with MEFAP Core Food funds and distributed over the Thanksgiving holiday season. This marks an increase over the 7,200 birds distributed in FY14 when the MEFAP turkey bid was decreased due to the availability of turkeys through the USDA TEFAP program. With no turkeys purchased by the USDA in FY15, GBFB opted to increase the quantity of birds being bid by 6,000 in order to meet agency need.
- **Food Safety Documentation & Country of Origin** – Food safety documentation requirements were strengthened in the 2015 Core Food Bid both to be better in line with the FDA Food Safety Modernization Act and to safeguard the populations served by The Food Bank Coalition; bidders were required to provide letters of material guarantee from all manufacturers represented as well as third party food safety audit certificates for all food processing facilities. Several bidders who were not able to provide this information were not considered. As well, WCFB opted to continue to receive only product from domestic manufacturers in 2015. The FY15 Core Food Bid required all bidders to provide country of origin statements for all labels bid and, for all items ordered by WCFB, to provide a domestic label option.

Table 4: List of Food Items Purchased through MEFAP in FY15

<u>Institutional Sized Food Items (Utility) – MVFB & GBFB Only</u>		
<u>Proteins</u> Ground Beef, 90% Lean Ground Turkey, 90% Lean Chicken Thighs Tuna in spring water Peanut Butter Canned Vegetarian Baked Beans	<u>Dairy</u> Sliced American Cheese Eggs <u>Grains</u> Rice Pasta Elbows Pasta, Spaghetti <u>Soups/Meals</u> Chicken Noodle Soup, low sodium	<u>Fruits</u> Orange Juice Concentrate Fruit Cocktail <u>Vegetables</u> Canned Carrots Spaghetti Sauce Frozen Vegetables: (Broccoli, Corn, Mixed Vegetables)
<u>Retail Sized Food Items</u>		
<u>Protein</u> Ground Beef, 90% Lean Ground Turkey, 90% Lean Chickens, Whole Chicken breast, boneless, skinless Canned Chicken Chunk Lite Tuna in Water Peanut Butter Canned Beans: (Black, Red Kidney, Vegetarian Baked Beans) <u>Dairy</u> Fresh Milk, 1% Shelf-Stable Milk, 1% American Cheese Slices Large White Eggs	<u>Fruit</u> Peaches in Natural Juice Fruit Mix in Natural Juice Applesauce 100% Orange Juice w/Calcium 100% Apple Juice w/Calcium 100% White Grape Juice <u>Vegetables</u> Low Sodium Canned Vegetables: (Peas, Corn, Carrots, Green Beans) Spaghetti Sauce Diced Tomatoes <u>Holiday</u> 12-14 Lb. Turkeys	<u>Grains</u> Long Grain Rice Long Grain Brown Rice Pasta, Elbow Macaroni Pasta, Spaghetti Macaroni & Cheese <u>Cereal</u> Corn Flakes Rice Crisp Cereal Raisin Bran Cereal Toasted Oat Cereal Quick Oatmeal Instant Oatmeal Variety Pack <u>Soups/Meals</u> Chicken Noodle, Low Sodium

Table 5: MEFAP Funding History

Fiscal Year	Total Funding	Operating Funding	Nutrition Education Funding	Mass Grown Initiative Funding	Core Food Funding	Meals Distributed through Core Food
		DOE 7051-0015	DFA 2511-0105	DFA 2511-0105	DFA 2511-0105	
1995 & 1996*	\$1,000,000.00	\$142,000.00	-	-	\$858,000.00	--
1997	\$1,000,000.00	\$142,000.00	-	-	\$858,000.00	1,176,128
1998	\$3,448,000.00	\$448,000.00	-	-	\$3,000,000.00	3,748,435
1999	\$7,430,000.00	\$1,000,000.00	\$150,000.00	\$260,000.00	\$6,020,000.00	5,176,882
2000	\$7,430,000.00	\$1,000,000.00	\$150,000.00	\$300,000.00	\$5,980,000.00	4,972,956
2001	\$7,430,000.00	\$1,000,000.00	\$150,000.00	\$300,000.00	\$5,950,000.00	6,261,695
2002	\$7,360,000.00	\$930,000.00	\$150,000.00	\$330,000.00	\$5,950,000.00	6,408,176
2003	\$7,185,600.00	\$830,600.00	\$75,000.00	\$330,000.00	\$5,950,000.00	6,038,672
2004	\$7,027,000.00	\$747,000.00	\$0.00	\$330,000.00	\$5,950,000.00	7,036,356
2005	\$7,027,000.00	\$747,000.00	\$0.00	\$330,000.00	\$5,950,000.00	6,927,565
2006	\$7,027,000.00	\$747,000.00	\$0.00	\$330,000.00	\$6,113,252.00	6,927,565
2007	\$13,250,000.00	\$1,250,000.00	\$0.00	\$600,000.00	\$11,400,000.00	12,770,887
2008	\$12,137,000.00	\$1,247,000.00	\$0.00	\$550,000.00	\$10,340,000.00	12,482,075
2009	\$13,127,000.00	\$1,247,000.00	\$0.00	\$600,000.00	\$11,280,000.00	11,535,297
2010	\$12,509,518.00	\$1,239,518.00	\$0.00	\$575,000.00	\$10,695,000.00	13,219,524
2011	\$12,500,000.00	\$1,230,000.00	\$0.00	\$690,000.00	\$10,580,000.00	14,122,817
2012	\$12,500,000.00	\$1,230,000.00	\$0.00	\$690,000.00	\$10,580,000.00	12,641,443
		DFA 2511-0105				
2013	\$13,000,000.00	\$1,240,000.00	\$0.00	\$720,000.00	\$11,040,000.00	13,838,476**
2014	\$14,000,000.00	\$1,260,000.00	\$0.00	\$780,000.00	\$11,960,000.00	16,089,423**
2015	\$15,000,000.00	\$1,280,000.00	\$0.00	\$840,000.00	\$12,880,000.00	16,697,380

*Meals data not available for FY1995 and FY1996.

**The formula for calculating meals distributed was adjusted in FY13 from 1.3 pounds of food / a meal to 1.2 pounds.

Operation Funding Supports Distribution

The Massachusetts Department of Agricultural Resources managed operating funds to support the distribution of food. The food banks use the percentages in Table 2 to equitably allocate funds according to poverty statistics for the population served by each food bank. The operating funds are applied to the costs of labor associated with receiving, warehousing, transporting, and distributing MEFAP product; Table 5 above details the funding. The Food Bank Coalition of Massachusetts continues to raise additional private funds to cover the cost of distribution.

Conclusion

In FY15, the Food Bank Coalition of Massachusetts distributed more than 20 million pounds of MEFAP food (representing nearly 16.7 million meals) to those in need throughout the Commonwealth, an increase of 3.8% over the prior year. Price increases averaging 2.8% over the course of the Core Food year as well as a significant increase in the holiday turkey bid worked to limit the impact of the \$1 Million additional funds in FY15. At the start of the FY16 MEFAP year, there is significant volatility in pricing on several key commodities: shell eggs - the USDA Economic Resource Service estimates an increase of between 12.5% and 13.5% over the course of the

year⁴, ground turkey, and canned fruit; food prices are again likely to increase in the coming year with as high as a 3.0% increase possible from 2015 to 2016⁵. In order to absorb these potential price increases and still grow MEFAP distribution, The Food Bank Coalition of Massachusetts relies on increased MEFAP funding as they strive to provide all those in need in the Commonwealth with three meals a day.

The Food Bank Coalition of Massachusetts and their staff would like to acknowledge the support of the Massachusetts Department of Agricultural Resources. We would also like to thank the Governor's Office, the Lieutenant Governor's Office, and the Legislature for their commitment to help end hunger in Massachusetts. For more information on the specific programs and activities of the Food Bank Coalition of Massachusetts please note the following contact information.



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⁴ 'Changes in Food Price Indexes, 2013 through 2016'; USDA, Economic Research Service; 8/25/15

⁵ *ibid*